S-2813.1			

SECOND SUBSTITUTE SENATE BILL 5665

State of Washington 59th Legislature 2005 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Parlette, Schoesler, Hewitt, Honeyford and Mulliken)

READ FIRST TIME 03/30/05.

- AN ACT Relating to implementing recommendation no. 2 of the joint legislative audit and review committee's report no. 98-9 with regard to reporting of industrial insurance injuries; amending RCW 51.28.020, 51.28.020, and 51.28.080; adding a new section to chapter 51.28 RCW; providing an effective date; and providing an expiration date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. A new section is added to chapter 51.28 RCW to read as follows:
 - (1) The legislature finds that:

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- 10 (a) In 1998, the joint legislative audit and review committee, in its performance audit of the Washington industrial insurance system, reported that one of the most significant causes for delayed benefit payments to workers and lack of employer involvement in claims was the manner in which claims were reported. Under this system of reporting, the worker generally reports the injury to a physician who, in turn, reports the injury to the department.
- 17 (b) The performance audit further reported that adopting a system 18 in which the employee reports to the employer and the employer reports 19 to the department would speed the first payment of benefits to the

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worker and involve the employer, from the beginning of the claim, in assisting in the management of the claim, including returning the worker to work. 3

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- (c) The performance audit also recognized that there would be instances in which workers would be reluctant to report injuries to employers and that, therefore, the system of physician reporting should be retained as an alternative, and employer reporting should be tested on a widespread basis.
- (2)(a) The department of labor and industries shall develop and implement an initiative to encourage the reporting of industrial injuries by the worker to his or her employer and by the employer to the department. Under this initiative, the department must take steps to educate workers and employers about the benefits and importance of prompt reporting of injuries.
- (b) By December 1, 2006, the department of labor and industries shall develop and make statutory recommendations for an alternative system of reporting injuries under which the worker would report to the employer and the employer would report to the department. Upon passage of such legislation, the department shall immediately begin an educational effort to promote this method of reporting.
 - (3)(a) The department must conduct a study of:
- (i) Claims that are not reported promptly, including but not limited to a review of the circumstances of such claims, the type of injuries involved in such claims, and the reasons for the failure to report such claims promptly;
- (ii) The effect of the educational initiative required under subsection (2)(a) of this section on whether the number of claims reported to employers increased, whether there was a reduction in delays in benefit payments, and whether there was an improvement in employer involvement in assisting with claims management and an increase in appropriate return-to-work and better outcomes for injured workers and employers; and
- (iii) The results of the efforts of the centers of occupational health education in early reporting and early notification of employers, and the general lessons that can be drawn from these results for the larger workers' compensation program.
- 37 (b) By December 1, 2006, the department must report on the results 38 of the study to the appropriate committees of the legislature.

2SSB 5665 p. 2 1 **Sec. 2.** RCW 51.28.020 and 2004 c 65 s 4 are each amended to read 2 as follows:

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- (1)(a) Where a worker is entitled to compensation under this title he or she shall file with the department or his or her self-insured employer, as the case may be, his or her application for such, together with the certificate of the physician or licensed advanced registered nurse practitioner who attended him or her. An application form developed by the department shall include a notice specifying the worker's right to receive health services from a physician or licensed advanced registered nurse practitioner of the worker's choice under RCW 51.36.010, including chiropractic services under RCW 51.36.015, and listing the types of providers authorized to provide these services.
- physician or licensed advanced registered (b) The practitioner who attended the injured worker shall inform the injured worker of his or her rights under this title and lend all necessary assistance in making this application for compensation and such proof of other matters as required by the rules of the department without charge to the worker. The department shall provide physicians with a manual which outlines the procedures to be followed in applications for compensation involving occupational diseases, and which describes claimants' rights and responsibilities related to occupational disease claims.
- 23 (2) If <u>the</u> application ((for compensation)) <u>required by this</u> 24 <u>section</u> is:
 - (a) Filed on behalf of the worker by the physician or licensed advanced registered nurse practitioner who attended the worker, the physician or licensed advanced registered nurse practitioner may transmit the application to the department electronically using facsimile mail;
- 30 (b) Made to the department and the employer has not received a copy 31 of the application, the department shall immediately send a copy of the 32 application to the employer; or
- 33 <u>(c) Made to a self-insured employer, ((he or she)) the employer</u> 34 shall forthwith send a copy of the application to the department.
- 35 **Sec. 3.** RCW 51.28.020 and 2001 c 231 s 2 are each amended to read as follows:
- 37 (1)(a) Where a worker is entitled to compensation under this title

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- he or she shall file with the department or his or her self-insured 1 2 employer, as the case may be, his or her application for such, together with the certificate of the physician who attended him or her. 3 application form developed by the department shall include a notice 4 5 specifying the worker's right to receive health services from a physician of the worker's choice under RCW 51.36.010, including 6 chiropractic services under RCW 51.36.015, and listing the types of 7 providers authorized to provide these services. 8
 - (b) The physician who attended the injured worker shall inform the injured worker of his or her rights under this title and lend all necessary assistance in making this application for compensation and such proof of other matters as required by the rules of the department without charge to the worker. The department shall provide physicians with a manual which outlines the procedures to be followed in applications for compensation involving occupational diseases, and which describes claimants' rights and responsibilities related to occupational disease claims.
 - (2) If <u>the</u> application ((for compensation)) <u>required by this</u> section is:
 - (a) Filed on behalf of the worker by the physician who attended the worker, the physician may transmit the application to the department electronically using facsimile mail;
- 23 <u>(b) Made to the department and the employer has not received a copy</u>
 24 <u>of the application, the department shall immediately send a copy of the</u>
 25 application to the employer; or
- 26 <u>(c) Made to a self-insured employer, ((he or she)) the employer</u>
 27 shall forthwith send a copy of the application to the department.
- 28 **Sec. 4.** RCW 51.28.080 and 1985 c 338 s 2 are each amended to read 29 as follows:
- 30 (1) An employer shall be promptly notified by the department when:
- 31 <u>(a) The department has received an application for compensation</u> 32 <u>under this title. If the employer is a state fund employer, the</u>
- 33 <u>department shall instruct the employer to submit a report of accident</u>
- 34 form and provide a telephone number for assistance in the reporting
- 35 process; and

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36 <u>(b) I</u>t has determined that a worker of that employer is entitled to 37 compensation under RCW 51.32.090.

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- 1 (2) Notification shall include, in nontechnical language, an explanation of the employer's rights under this title.
- 3 <u>NEW SECTION.</u> **Sec. 5.** Section 2 of this act expires June 30, 2007.
- 4 <u>NEW SECTION.</u> **Sec. 6.** Section 3 of this act takes effect June 30,

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